

RISK MANAGEMENT FOR CONSTRUCTION PROJECTS

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and Taxation

Commercial Real Estate Transactions and Management Group
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RISK MANAGEMENT FOR CONSTRUCTION PROJECTS

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- I. Allocation of Risks in Construction Projects
 - A. Indemnity Agreements
 - B. Common Law

- II. Builders Risk Insurance
 - A. Who should purchase? Owner or General Contractor?
 - B. Deductibles and Self-Insured Retention
 - C. What property or premises is covered?
 - 1. “Your Work”; “Your Ongoing Operations”
 - 2. Installed Equipment
 - 3. Landscaping
 - 4. Temporary Work
 - 5. Contractor’s Tools and Equipment
 - 6. Property in Transit
 - 7. Property Stored On-Site? Off-Site?
 - 8. Excluded Property
 - D. What perils are covered?
 - 1. “All risk”
 - 2. Earthquake, Flood, Pollution, Boiler & Machinery
 - 3. Defective Work
 - 4. Full Replacement Cost
 - 5. Soft Costs
 - 6. Endorsements
 - E. What damages are covered?
 - F. How much insurance is required?
 - G. What period of time should the policy cover?
 - H. Who Is Insured?

I. Additional Insureds

1. Advantages.
2. Scope of Coverage
3. Is the Additional Insured covered for his own negligence?
4. Is the Additional Insured covered only when the named insured is negligent?
5. Endorsements

III. Other Insurance Coverage

- A. Pollution
- B. Commercial General Liability
- C. "Faulty Work"